

**TESTIMONY PRESENTED BEFORE THE GOVERNMENT ADMINISTRATION  
AND ELECTIONS COMMITTEE**

*February 27, 2012*

*Statement of Michael J. Brandi, Executive Director & General Counsel*

**House Bill No. 5255,  
Also Senate Bill Nos. 212, 214, & 216 and House Bill No. 5253**

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Good morning, Chairperson Slossberg, Chairman Morin, Ranking Members Senator McLachlan and Representative Hwang, and distinguished Committee members. I am Michael Brandi, the new Executive Director & General Counsel of the State Elections Enforcement Commission. I am honored to speak before this Committee this morning and I look forward to both a fruitful legislative session this year and to building a lasting, positive relationship with the Committee in the years to come. Thank you for this opportunity to testify on behalf of House Bill No. 5255, which contains the Commission's legislative initiative this session.

**House Bill No. 5255**

The SEEC's proposals this year have been streamlined carefully to request only that which is most important to facilitating our success during the 2012 election cycle and creating efficiencies for treasurers and candidates that will save the state money and, we believe, make compliance easier.

As an initial matter, I'd like to report that, as of today, there will be enough money in the Citizens' Election Fund to fully finance all 2012 campaigns that choose to use public financing. While this is the good news, the bad news is that money cannot be distributed properly unless we have both the staff and the adequate funding to do so. And at this time, we do not. Although, at this point in time, the SEEC staff remains hopeful that it will be able to administer the Citizens' Election Program (CEP), ensure full and fair disclosure of campaign financing and provide non-partisan enforcement of the election laws under the consolidation – in order to be ready to do so in time for the 2012 election cycle will take extraordinary cooperation and effort. In the short time I have been with the SEEC, because I am keenly aware of the economic hardships facing our state, I have been working to identify the bare minimum we will need to increase the staffing and budget in order to have a successful election cycle, and I have been working with the necessary government agencies to receive permission to fill vacancies and restructure as needed.

This legislative proposal is another part of the effort to ensure that the SEEC will be able to review all of the grant applications that it receives. We are asking to mandate electronic filing for candidates who may participate in the CEP. This will streamline the campaign finance disclosure process leading to significant cost savings for the state. Basically, the proposal lowers from the mandatory electronic filing threshold from \$250,000 to \$4,500 for candidate and exploratory committees which may participate in the CEP. This change is essential to the Commission's ability

to meet its statutory deadline for awarding CEP grants given the Commission's significant reduction in staff.

Currently, all candidates in CEP races who raise less than a quarter of a million dollars are free to file on paper. This creates many problems for the SEEC:

- The first is timing. Before Commission staff may begin their review, the paper filing must be converted into an electronic format resulting in an automatic delay of 24 hours or more. In an election season when the SEEC is worried that there simply will not be enough hours in the week for the staff we have to review grant applications, the loss of one or two days while we wait for data entry could be vital to determining whether we are able to review all of the grant applications we receive.
- The second is accuracy. Even after the paper filing is converted into electronic format, the potential for human error in data entry requires that Commission staff confirm the accuracy of the data that has been input, leading to further delay in processing grant applications.
- The third is an increase in monetary costs. Processing each paper filing costs at least \$39. During the course of an election cycle, a candidate committee may have as many as sixteen filings.
- The fourth is the extra staffing resources required. Paper filings by CEP candidates consume extra staffing resources as staff races to process them through the data entry subcontractor and input the electronic data received back into the electronic filing database. This problem is particularly exacerbated by the recent resignation of one of the two remaining employees who are involved in the process.

When a grant application is filed electronically using eCRIS, all of these costs and drains on resources disappear. Commission staff may immediately begin their review to determine grant eligibility.

The SEEC is working hard to make electronic filing a viable and beneficial option for all treasurers. We provide:

- Fully staffed eCRIS helpline, with 24/7 coverage of our email and guaranteed response within four hours;
- The capability to data enter filings at any time and save them for a later submission, so there is no need to complete an entire filing at one time;
- Warnings and prompts identifying reporting errors and potential violations of campaign finance laws to make a smooth application process more likely; and
- Automatic aggregation of campaign contributions and expenditures so the treasurer will be able to tell where in the application process they are;
- Notification of campaign treasurers that filed reports have been received;
- E-mail alerts reminding them when reports are due;
- Flexibility of uploading data from Excel and other campaign management software, or working with PCs or Macs; and
- Allowing treasurers to appoint a data entry person to enter the committee's data into eCRIS and review these entries before submission.

Mandatory electronic filing will result in substantial cost savings to the state. The Commission receives between 3,000 and 4,000 paper filings a year. The data contained in these filings must be data entered into eCRIS's searchable database, at a cost of \$39 per filing. This entails a cost of somewhere between \$117,000 and \$156,000 per year for all filings. Furthermore, because the Commission is functioning with a reduced staff and must review grant applications on a strict timeline, the time cost of paper filings will necessarily lead to increased overtime payments to Commission staff.

In light of the support system that the SEEC has created for treasurers using electronic filing, the clear cost savings in these fiscally uncertain times and the absolutely vital role in helping to ensure that CEP candidates will receive their grant monies this election cycle, the SEEC strongly urges the Committee to support mandatory electronic filing for CEP races.

In addition to the mandatory electronic filing component, this bill reflects the staff's efforts to create efficiencies in the filing regime, eliminating multiple reports filed within a few days of each other in order to assist committee treasurers.

The bill also makes some simple but necessary technical changes to the political committee biennial registration regime created with Public Act 11-173 to create consistency with other sections of the law. These changes will assist committees by, in most cases, placing the duty to update committee registrations with the most knowledgeable committee officer – the treasurer – unless there has been a change in officer necessitating an appointment by the chairperson.

The bill clarifies that any post-election payments made to a CEP treasurer pursuant to General Statutes § 9-608 (e) (1) (G) are above and beyond any payments made or owed pursuant to a written service agreement.

Finally, the bill makes a technical change to the "house party" exemption to the definition of expenditure. When the legislature amended the "house party" exemption in PA 11-48, it amended the exception to the definition of "contribution" in Section 286, but did not amend the parallel exception to the definition of "expenditure." This rectifies the problem.

In addition, the SEEC the following comments:

**Senate Bill No. 212 AN ACT CONCERNING PROVISIONAL BALLOTS FOR STATE AND MUNICIPAL ELECTIONS.**

The Commission supports SB 212, which expands access to provisional ballots to non-federal elections and primaries. As the administrator of the state's Election Day Hotline, the Commission finds itself in the unenviable position of informing many voters with registration problems on Election Day that provisional ballot rights are extremely limited in Connecticut.

**Senate Bill No. 214 AN ACT CONCERNING PERMANENT ABSENTEE BALLOT STATUS FOR THE PERMANENTLY DISABLED**

As it has in the past, the Commission supports the concept of permanent absentee ballot status wherein the ballots are delivered automatically after the elector's status has been supported by a physician's certificate.

As such, we support this modification of General Statutes § 9-140e, eliminating the requirement that such an elector continues to submit an application for each election primary or referendum.

**Senate Bill No. 216 AN ACT CONCERNING SMALL CAMPAIGN CONTRIBUTIONS TO NONPARTICIPATING CANDIDATES**

The Commission supports the concept of requiring that contributions from an individual, that in the aggregate do not exceed fifty dollars, to become subject to disclosure requirements like those applied to participating candidates.

**House Bill No. 5253 AN ACT CONCERNING A DETERMINATION OF THE NEUTRALITY OF EXPLANATORY TEXTS USED IN LOCAL PROPOSALS OR QUESTIONS.**

The Commission does not support HB No. 5253. This bill would require the Commission to make written determinations as to the neutrality of the explanatory text associated with a referendum. This is a service already provided by Commission staff, one that works very well in practice. Many towns take advantage of this service. However, this bill would insert a mandatory determination by the Commission itself, adding time, complexity, and additional fiscal impact to an already reasonable and efficient process.